

**Representative Merlynn T. Newbold** proposes the following substitute bill:

**MINIMUM SCHOOL PROGRAM BASE BUDGET**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Merlynn T. Newbold**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill provides base funding for the Minimum School Program.

**Highlighted Provisions:**

This bill:

- ▶ appropriates state and local funds for the Minimum School Program for fiscal year 2010-11;
- ▶ appropriates \$22,049,700 to the State Board of Education for fiscal year 2010-11 for school building aid programs for school districts;
- ▶ establishes the value of the weighted pupil unit at \$2,487 for fiscal year 2010-11;
- ▶ establishes the estimated minimum basic tax rate at .001513 for fiscal year 2010-11;
- ▶ provides that if monies appropriated to charter schools to replace local property taxes are less than the amount prescribed by a statutory funding formula, monies shall be allocated among charter schools in proportion to each charter school's share of the total enrollment in charter schools;
- ▶ provides that if monies appropriated for charter school administrative costs are insufficient to provide the amount per student prescribed in statute, the appropriation shall be allocated among charter schools in proportion to each charter school's share of the total enrollment in charter schools;



26           ▶ provides certain exemptions to the Budgetary Procedures Act for monies  
27 appropriated to the State Board of Education for the Minimum School Program or  
28 capital outlay programs; and

29           ▶ makes technical amendments.

30 **Monies Appropriated in this Bill:**

31           This bill appropriates:

- 32           ▶ as an ongoing appropriation, the following Minimum School Program monies:
- 33               • \$1,990,547,523 from the Uniform School Fund for fiscal year 2010-11; and
  - 34               • \$20,000,000 from the Uniform School Fund Restricted - Interest and Dividends
- 35 Account for fiscal year 2010-11; and
- 36           ▶ as an ongoing appropriation, \$22,049,700 from the Uniform School Fund for school  
37 building aid programs for fiscal year 2010-11.

38 **Other Special Clauses:**

39           This bill takes effect on July 1, 2010.

40 **Utah Code Sections Affected:**

41 **AMENDS:**

- 42           **53A-1a-513**, as last amended by Laws of Utah 2009, Chapter 391
- 43           **53A-1a-703**, as enacted by Laws of Utah 2005, Chapter 35
- 44           **53A-1a-903**, as enacted by Laws of Utah 2007, Chapter 386
- 45           **53A-2-118.3**, as enacted by Laws of Utah 2008, Chapter 236
- 46           **53A-16-107**, as last amended by Laws of Utah 2008, Chapter 236
- 47           **53A-17a-103**, as last amended by Laws of Utah 2008, Chapters 61 and 397
- 48           **53A-17a-105**, as last amended by Laws of Utah 2009, Chapter 183
- 49           **53A-17a-108**, as last amended by Laws of Utah 2009, Chapter 391
- 50           **53A-17a-111**, as last amended by Laws of Utah 2008, Chapter 382
- 51           **53A-17a-112**, as last amended by Laws of Utah 2005, Chapter 71
- 52           **53A-17a-113**, as last amended by Laws of Utah 2007, Chapter 372
- 53           **53A-17a-116**, as last amended by Laws of Utah 2007, Chapter 372
- 54           **53A-17a-119**, as last amended by Laws of Utah 2003, Chapters 221 and 320
- 55           **53A-17a-120**, as last amended by Laws of Utah 2008, Chapters 382 and 397
- 56           **53A-17a-120.5**, as last amended by Laws of Utah 2009, Chapters 321 and 391

57       **53A-17a-121**, as last amended by Laws of Utah 2008, Chapter 382  
58       **53A-17a-123**, as last amended by Laws of Utah 2003, Chapter 320  
59       **53A-17a-123.5**, as last amended by Laws of Utah 2003, Chapter 320  
60       **53A-17a-124**, as last amended by Laws of Utah 2003, Chapter 320  
61       **53A-17a-124.5**, as last amended by Laws of Utah 2003, Chapters 221 and 320  
62       **53A-17a-125**, as last amended by Laws of Utah 2009, Chapter 391  
63       **53A-17a-126**, as last amended by Laws of Utah 2008, Chapter 397  
64       **53A-17a-131.15**, as last amended by Laws of Utah 2008, Chapter 382  
65       **53A-17a-131.17**, as last amended by Laws of Utah 2008, Chapter 382  
66       **53A-17a-135**, as last amended by Laws of Utah 2009, Chapter 391  
67       **53A-17a-146**, as last amended by Laws of Utah 2009, Chapter 4  
68       **53A-17a-153**, as last amended by Laws of Utah 2009, Chapter 4  
69       **53A-17a-154**, as enacted by Laws of Utah 2008, Chapter 1  
70       **53A-17a-155**, as enacted by Laws of Utah 2008, Chapter 1  
71       **63J-1-206**, as renumbered and amended by Laws of Utah 2009, Chapters 183 and 368

## 72 REPEALS:

73       **53A-17a-104**, as last amended by Laws of Utah 2009, Chapters 4 and 391  
74       **53A-21-501**, as last amended by Laws of Utah 2009, Chapter 391

75 **Uncodified Material Affected:**

## 76 ENACTS UNCODIFIED MATERIAL

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78 *Be it enacted by the Legislature of the state of Utah:*79       Section 1. Section **53A-1a-513** is amended to read:80       **53A-1a-513. Funding for charter schools.**

81       (1) As used in this section:

82       (a) "Charter school students' average local revenues" means the amount determined as  
83 follows:84       (i) for each student enrolled in a charter school on the previous October 1, calculate the  
85 district per pupil local revenues of the school district in which the student resides;86       (ii) sum the district per pupil local revenues for each student enrolled in a charter  
87 school on the previous October 1; and

(iii) divide the sum calculated under Subsection (1)(a)(ii) by the number of students enrolled in charter schools on the previous October 1.

(b) "District per pupil local revenues" means the amount determined as follows, using data from the most recently published school district annual financial reports and state superintendent's annual report:

(i) calculate the sum of a school district's revenue received from:

(A) a voted levy imposed under Section 53A-17a-133;

(B) a board levy imposed under Section 53A-17a-134;

(C) 10% of the cost of the basic program levy imposed under Section 53A-17a-145;

(D) a tort liability levy imposed under Section 63G-7-704;

(E) a capital outlay levy imposed under Section 53A-16-107; and

(F) a voted capital outlay levy imposed under Section 53A-16-110; and

(ii) divide the sum calculated under Subsection (1)(b)(i) by the sum of:

(A) a school district's average daily membership; and

(B) the average daily membership of a school district's resident students who attend charter schools.

(c) "Resident student" means a student who is considered a resident of the school district under Title 53A, Chapter 2, Part 2, District of Residency.

(d) "Statewide average debt service revenues" means the amount determined as follows, using data from the most recently published state superintendent's annual report:

(i) sum the revenues of each school district from the debt service levy imposed under Section 11-14-310; and

(ii) divide the sum calculated under Subsection (1)(d)(i) by statewide school district average daily membership.

(2) (a) Charter schools shall receive funding as described in this section, except Subsections (3) through (8) do not apply to charter schools described in Subsection (2)(b).

(b) Charter schools authorized by local school boards that are converted from district schools or operate in district facilities without paying reasonable rent shall receive funding as prescribed in Section 53A-1a-515.

(3) (a) Except as provided in Subsection (3)(b), a charter school shall receive state funds, as applicable, on the same basis as a school district receives funds.

(b) In distributing funds under Title 53A, Chapter 17a, Minimum School Program Act, to charter schools, charter school pupils shall be weighted, where applicable, as follows:

- (i) .55 for kindergarten pupils;
- (ii) .9 for pupils in grades 1-6;
- (iii) .99 for pupils in grades 7-8; and
- (iv) 1.2 for pupils in grades 9-12.

(4) (a) (i) A school district shall allocate a portion of school district revenues for each resident student of the school district who is enrolled in a charter school on October 1 equal to 25% of the lesser of:

- (A) district per pupil local revenues; or
- (B) charter school students' average local revenues.

~~[(ii) For the purpose of allocating school district revenues under Subsection (4)(a)(i) in fiscal year 2008-09 only, a kindergarten student who is enrolled in less than a full-day kindergarten program is weighted as .55 of a student.]~~

~~[(iii)]~~ (ii) Nothing in this Subsection (4)(a) affects the school bond guarantee program established under Chapter 28, Utah School Bond Guaranty Act.

(b) The State Board of Education shall:

(i) deduct an amount equal to the allocation provided under Subsection (4)(a) from state funds the school district is authorized to receive under Title 53A, Chapter 17a, Minimum School Program Act; and

(ii) remit the money to the student's charter school.

(c) Notwithstanding the method used to transfer school district revenues to charter schools as provided in Subsection (4)(b), a school district may deduct the allocations to charter schools under this section from:

- (i) unrestricted revenues available to the school district; or
- (ii) the revenue sources listed in Subsections (1)(b)(i)(A) through (F) based on the portion of the allocations to charter schools attributed to each of the revenue sources listed in Subsections (1)(b)(i)(A) through (F).

(d) (i) Subject to future budget constraints, the Legislature shall provide an appropriation for charter schools for each student enrolled on October 1 to supplement the allocation of school district revenues under Subsection (4)(a).

(ii) Except as provided in Subsection (4)(d)(iii), the amount of money provided by the state for a charter school student shall be the sum of:

(A) charter school students' average local revenues minus the allocation of school district revenues under Subsection (4)(a); and

(B) statewide average debt service revenues.

(iii) If the total of a school district's allocation for a charter school student under Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than \$1427, the state shall provide an additional supplement so that a charter school receives at least \$1427 per student under this Subsection (4).

(iv) If the appropriation provided under this Subsection (4)(d) is less than the amount prescribed by Subsection (4)(d)(ii) or (4)(d)(iii), the appropriation shall be allocated among charter schools in proportion to each charter school's enrollment as a percentage of the total enrollment in charter schools.

(e) Of the monies provided to a charter school under this Subsection (4), 10% shall be expended for funding school facilities only.

(5) Charter schools are eligible to receive federal funds if they meet all applicable federal requirements and comply with relevant federal regulations.

(6) The State Board of Education shall distribute funds for charter school students directly to the charter school.

(7) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive state transportation funding.

(b) The board shall also adopt rules relating to the transportation of students to and from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

(c) The governing body of the charter school may provide transportation through an agreement or contract with the local school board, a private provider, or with parents.

(8) (a) (i) The state superintendent of public instruction may allocate grants for both start-up and ongoing costs to eligible charter school applicants from monies appropriated for the implementation of this part.

(ii) Applications for the grants shall be filed on a form determined by the state superintendent and in conjunction with the application for a charter.

(iii) The amount of a grant may vary based upon the size, scope, and special

circumstances of the charter school.

(iv) The governing board of the charter school shall use the grant to meet the expenses of the school as established in the school's charter.

(b) The State Board of Education shall coordinate the distribution of federal monies appropriated to help fund costs for establishing and maintaining charter schools within the state.

(9) (a) A charter school may receive, hold, manage and use any devise, bequest, grant, endowment, gift, or donation of any property made to the school for any of the purposes of this part.

(b) It is unlawful for any person affiliated with a charter school to demand or request any gift, donation, or contribution from a parent, teacher, employee, or other person affiliated with the charter school as a condition for employment or enrollment at the school or continued attendance at the school.

Section 2. Section **53A-1a-703** is amended to read:

**53A-1a-703. Definitions.**

As used in this part:

(1) "Assessment team" means a team consisting of:

(a) the student's parent or guardian;

(b) the student's private school classroom teacher;

(c) special education personnel from the student's school district; and

(d) if available, special education personnel from the private school at which the student is enrolled.

(2) "Board" means the State Board of Education.

(3) "Eligible private school" means a private school that meets the requirements of Section 53A-1a-705.

(4) "IEP" means a written statement for a student with a disability that is developed, reviewed, and revised in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.

(5) "Scholarship student" means a student who receives a scholarship under this part.

(6) "Value of the weighted pupil unit" means the amount [~~specified in Section 53A-17a-103~~] established each year in statute that is multiplied by the number of weighted

pupil units to yield the funding level for the basic state-supported school program.

Section 3. Section **53A-1a-903** is amended to read:

**53A-1a-903. Voluntary extended-day kindergarten program funding.**

(1) As used in this section, "Title I school" means a school receiving federal monies under Title I of the No Child Left Behind Act of 2001, Pub. L. No. 107-110, for a schoolwide or targeted assistance program.

(2) If funds are appropriated for this purpose, the State Board of Education shall allocate funds to charter schools and school districts.

(3) For charter schools, the State Board of Education shall:

(a) determine the total allocation for charter schools by:

(i) dividing the number of charter school students eligible to receive free lunch by the total number of students in the public education system eligible to receive free lunch in the prior school year; and

(ii) multiplying the resulting percentage by the total amount of available funds; and

(b) allocate the resulting amount of funds to individual charter schools with the greatest need for extended-day kindergarten, as determined by the State Board of Education in consultation with the State Charter School Board.

(4) For school districts, the State Board of Education shall:

(a) determine the total allocation for school districts by subtracting the charter school amount calculated under Subsection (3)(a) from the total amount of available funds; and

(b) allocate the resulting amount to applicant school districts by:

(i) allocating to each school district the amount calculated by:

(A) multiplying the value of the weighted pupil unit [~~under Subsection 53A-17a-103(1)~~] established each year in statute by 0.45; and

(B) multiplying the result by 20; and

(ii) allocating any remaining funds after the allocation under Subsection (4)(b)(i) by:

(A) determining the number of students eligible to receive free lunch in the prior school year for each school district; and

(B) prorating the remaining funds based on the number of students eligible to receive free lunch in each district.

(5) The State Board of Education may modify the allocation of funds described under



this section to provide sufficient funding for each Title I school to participate in the voluntary extended-day kindergarten program.

Section 4. Section **53A-2-118.3** is amended to read:

**53A-2-118.3. Imposition of the capital outlay levy in qualifying divided school districts.**

(1) For purposes of this section:

(a) "Qualifying divided school district" means a divided school district:

(i) located within a county of the second through sixth class; and

(ii) with a new school district created under Section 53A-2-118.1 that begins to provide educational services after July 1, 2008.

(b) "Qualifying taxable year" means the calendar year in which a new school district begins to provide educational services.

(2) Beginning with the qualifying taxable year, in order to qualify for receipt of the state contribution toward the minimum school program [~~described in Section 53A-17a-104~~], a school district within a qualifying divided school district shall impose a capital outlay levy described in Section 53A-16-107 of at least .0006 per dollar of taxable value.

(3) The county treasurer of a county with a qualifying divided school district shall distribute revenues generated by the .0006 portion of the capital outlay levy required in Subsection (2) to the school districts located within the boundaries of the qualifying divided school district as follows:

(a) 25% of the revenues shall be distributed in proportion to a school district's percentage of the total enrollment growth in all of the school districts within the qualifying divided school district that have an increase in enrollment, calculated on the basis of the average annual enrollment growth over the prior three years in all of the school districts within the qualifying divided school district that have an increase in enrollment over the prior three years, as of the October 1 enrollment counts; and

(b) 75% of the revenues shall be distributed in proportion to a school district's percentage of the total current year enrollment in all of the school districts within the qualifying divided school district, as of the October 1 enrollment counts.

(4) If a new school district is created or school district boundaries are adjusted, the enrollment and average annual enrollment growth for each affected school district shall be

calculated on the basis of enrollment in school district schools located within that school district's newly created or adjusted boundaries, as of October 1 enrollment counts.

(5) On or before December 31 of each year, the State Board of Education shall provide a county treasurer with audited enrollment information from the fall enrollment audit necessary to distribute revenues as required by this section.

(6) On or before March 31 of each year, a county treasurer in a county with a qualifying divided school district shall distribute, in accordance with Subsection (3), the revenue generated within the qualifying divided school district during the prior calendar year from the capital outlay levy required in Subsection (2).

Section 5. Section **53A-16-107** is amended to read:

**53A-16-107. Capital outlay levy -- Maintenance of school facilities -- Authority to use proceeds of .0002 tax rate -- Restrictions and procedure.**

(1) Subject to Subsection (3), a local school board may annually impose a capital outlay levy not to exceed .0024 per dollar of taxable value to be used for:

(a) capital outlay;

(b) debt service; and

(c) subject to Subsection (2), school facility maintenance.

(2) (a) A local school board may utilize the proceeds of a maximum of .0002 per dollar of taxable value of the local school board's annual capital outlay levy for the maintenance of school facilities in the school district.

(b) A local school board that uses the option provided under Subsection (2)(a) shall:

(i) maintain the same level of expenditure for maintenance in the current year as it did in the preceding year, plus the annual average percentage increase applied to the maintenance and operation budget for the current year; and

(ii) identify the expenditure of capital outlay funds for maintenance by a district project number to ensure that the funds are expended in the manner intended.

(c) The State Board of Education shall establish by rule the expenditure classification for maintenance under this program using a standard classification system.

(3) Beginning January 1, 2009, in order to qualify for receipt of the state contribution toward the minimum school program [~~described in Section 53A-17a-104~~], a local school board in a county of the first class shall impose a capital outlay levy of at least .0006 per dollar of

taxable value.

(4) (a) The county treasurer of a county of the first class shall distribute revenues generated by the .0006 portion of the capital outlay levy required in Subsection (3) to school districts within the county in accordance with Section 53A-16-107.1.

(b) If a school district in a county of the first class imposes a capital outlay levy pursuant to this section which exceeds .0006 per dollar of taxable value, the county treasurer of a county of the first class shall distribute revenues generated by the portion of the capital outlay levy which exceeds .0006 to the school district imposing the levy.

Section 6. Section **53A-17a-103** is amended to read:

**53A-17a-103. Definitions.**

As used in this chapter:

(1) "Basic state-supported school program" or "basic program" means public education programs for kindergarten, elementary, and secondary school students that are operated and maintained for the amount derived by multiplying the number of weighted pupil units for each ~~district by \$2,577~~ school district or charter school by the value established each year in statute, except as otherwise provided in this chapter.

(2) (a) "Certified revenue levy" means a property tax levy that provides an amount of ad valorem property tax revenue equal to the sum of:

(i) the amount of ad valorem property tax revenue to be generated statewide in the previous year from imposing a minimum basic tax rate, as specified in Subsection 53A-17a-135(1)(a); and

(ii) the product of:

(A) new growth, as defined in:

(I) Section 59-2-924; and

(II) rules of the State Tax Commission; and

(B) the minimum basic tax rate certified by the State Tax Commission for the previous year.

(b) For purposes of this Subsection (2), "ad valorem property tax revenue" does not include property tax revenue received statewide from personal property that is:

(i) assessed by a county assessor in accordance with Title 59, Chapter 2, Part 3, County Assessment; and

(ii) semiconductor manufacturing equipment.

(c) For purposes of calculating the certified revenue levy described in this Subsection (2), the State Tax Commission shall use:

(i) the taxable value of real property assessed by a county assessor contained on the assessment roll;

(ii) the taxable value of real and personal property assessed by the State Tax Commission; and

(iii) the taxable year end value of personal property assessed by a county assessor contained on the prior year's assessment roll.

(3) "Leeway program" or "leeway" means a state-supported voted leeway program or board leeway program authorized under Section 53A-17a-133 or 53A-17a-134.

(4) "Pupil in average daily membership (ADM)" means a full-day equivalent pupil.

(5) (a) "State-supported minimum school program" or [~~"minimum school program"~~] "Minimum School Program" means public school programs for kindergarten, elementary, and secondary schools as described in this Subsection (5).

(b) The minimum school program established in the districts shall include the equivalent of a school term of nine months as determined by the State Board of Education.

(c) (i) The board shall establish the number of days or equivalent instructional hours that school is held for an academic school year.

(ii) Education, enhanced by utilization of technologically enriched delivery systems, when approved by local school boards, shall receive full support by the State Board of Education as it pertains to fulfilling the attendance requirements, excluding time spent viewing commercial advertising.

~~[(d) The program includes the total of the following annual costs:]~~

~~[(i) the cost of a basic state-supported school program; and]~~

~~[(ii) other amounts appropriated in this chapter in addition to the basic program.]~~

(d) The Minimum School Program includes a program or allocation funded by a line item appropriation or other appropriation designated as follows:

(i) Basic School Program;

(ii) Related to Basic Programs;

(iii) Voted and Board Leeway Programs; or

(iv) Minimum School Program.

(6) "Weighted pupil unit or units or WPU or WPU's" means the unit of measure of factors that is computed in accordance with this chapter for the purpose of determining the costs of a program on a uniform basis for each district.

Section 7. Section **53A-17a-105** is amended to read:

**53A-17a-105. Action required for underestimated or overestimated weighted pupil units -- Action required for underestimating or overestimating local contributions.**

(1) If the number of weighted pupil units in a program is underestimated [~~in Section 53A-17a-104~~], the amount per pupil in that program paid under this chapter must be reduced so that the amount paid does not exceed the estimated amount by program.

(2) If the number of weighted pupil units in a program is overestimated [~~in Section 53A-17a-104~~], the state superintendent of public instruction shall either increase the amount paid in that program per weighted pupil unit or transfer the unused amount in that program to another program included in the minimum school program.

(3) (a) If surplus funds are transferred to another program, the state superintendent, if the state superintendent determines certain districts have greater need for additional funds, may designate the districts as well as the programs to which the transferred funds will be allocated.

(b) Any amounts transferred under Subsection (3)(a) may be spent in addition to the amounts [~~listed in Section 53A-17a-104~~] appropriated.

(4) The limitation on the proceeds from local tax rates for operation and maintenance programs under this chapter is subject to modification by local school boards under Sections 53A-17a-133 and 53A-17a-134 and to special tax rates authorized by this chapter, and shall be adjusted accordingly.

(5) If local contributions are overestimated, the guarantee per weighted pupil unit is reduced for all programs so the total state contribution for operation and maintenance programs does not exceed the amount [~~authorized in Subsection 53A-17a-104(1)~~] appropriated.

(6) (a) If local contributions from the basic tax rate for operation and maintenance programs are underestimated, the excess is applied first to support the value of the weighted pupil unit as set by the Legislature for total weighted pupil units generated by the districts and those costs of Social Security and retirement, transportation, and board and voted leeway that occur as a result of the additional generated weighted pupil units, following internal

adjustments by the state superintendent as provided in this section.

(b) The state contribution is decreased so the total school program cost for operation and maintenance programs does not exceed the total estimated contributions to school districts for all programs [~~under Subsection 53A-17a-104(2)~~] plus the amount of local revenue necessary to support the value of the weighted pupil unit for weighted pupil units generated and those costs of Social Security and retirement, transportation, and board and voted leeway that occur as a result of the additional generated weighted pupil units.

(7) As an exception to Section 63J-1-601, the state fiscal officer may not close out appropriations from the Uniform School Fund at the end of a fiscal year.

Section 8. Section **53A-17a-108** is amended to read:

**53A-17a-108. Weighted pupil units for small school district administrative costs**  
**-- Appropriation for charter school administrative costs.**

(1) Administrative costs weighted pupil units are computed and distributed to small school districts in accordance with the following schedule:

#### Administrative Costs Schedule

School District Enrollment as of October 1	Weighted Pupil Units
1 - 500 students	95
501 - 1,000 students	80
1,001 - 2,000 students	70
2,001 - 5,000 students	60

(2) (a) ~~[Money]~~ Except as provided in Subsection (2)(b), money appropriated to the State Board of Education for charter school administrative costs~~[-including an appropriation in Section 53A-17a-104,]~~ shall be distributed to charter schools in the amount of \$100 for each charter school student in enrollment.

(b) If money appropriated for charter school administrative costs are insufficient to provide the amount per student prescribed in Subsection (2)(a), the appropriation shall be allocated among charter schools in proportion to each charter school's enrollment as a percentage of the total enrollment in charter schools.

~~[(b)]~~ (c) Charter schools are encouraged to identify and use cost-effective methods of performing administrative functions, including contracting for administrative services with the State Charter School Board as provided in Section 53A-1a-501.6.

(3) Charter schools are not eligible for funds for administrative costs under Subsection (1).

Section 9. Section **53A-17a-111** is amended to read:

**53A-17a-111. Weighted pupil units for programs for students with disabilities -- District allocation.**

(1) The number of weighted pupil units for students with disabilities shall reflect the direct cost of programs for those students conducted in accordance with rules established by the State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(2) Disability program monies allocated to districts are restricted and shall be spent for the education of students with disabilities but may include expenditures for approved programs of services conducted for certified instructional personnel who have students with disabilities in their classes.

(3) The State Board of Education shall establish and strictly interpret definitions and provide standards for determining which students have disabilities and shall assist districts in determining the services that should be provided to students with disabilities.

(4) Each year the board shall evaluate the standards and guidelines that establish the identifying criteria for disability classifications to assure strict compliance with those standards by the districts.

(5) (a) Monies appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for add-on WPU for students with disabilities enrolled in regular programs shall be allocated to school districts as provided in this Subsection (5).

(b) Beginning on July 1, 2003, the State Board of Education shall:

(i) use a district's average number of special education add-on weighted pupil units determined by the previous five year's average daily membership data as a foundation for the special education add-on appropriation; and

(ii) implement a hold harmless provision for up to three years as needed to accomplish a phase-in period for school districts to accommodate the change in the special education add-on WPU foundation formula.

(c) A district's special education add-on WPU for the current year may not be less than the foundation special education add-on WPU.

(d) Growth WPU's shall be added to the prior year special education add-on WPU's, and growth WPU's shall be determined as follows:

(i) The special education student growth factor is calculated by comparing S-3 total special education ADM of two years previous to the current year to the S-3 total special education ADM three years previous to the current year, not to exceed the official October total district growth factor from the prior year.

(ii) When calculating and applying the growth factor, a district's S-3 total special education ADM for a given year is limited to 12.18% of the district's S-3 total student ADM for the same year.

(iii) Growth ADMs are calculated by applying the growth factor to the S-3 total special education ADM of two years previous to the current year.

(iv) Growth ADMs for each district are multiplied by 1.53 weighted pupil units and added to the prior year special education add-on WPU to determine each district's total allocation.

(6) If monies appropriated under this chapter for programs for students with disabilities do not meet the costs of districts for those programs, each district shall first receive the amount generated for each student with a disability under the basic program.

Section 10. Section **53A-17a-112** is amended to read:

**53A-17a-112. Preschool special education appropriation -- Extended year program appropriation -- Appropriation for special education programs in state institutions.**

(1) (a) Money appropriated to the State Board of Education for the preschool special education program [~~in Section 53A-17a-104~~] shall be allocated to school districts to provide a free, appropriate public education to preschool students with a disability, ages three through five.

(b) The monies shall be distributed on the basis of a school district's previous year December 1 disabled preschool child count as mandated by federal law.

(2) Monies appropriated for the extended school year program for the severely disabled [~~in Section 53A-17a-104~~] shall be limited to students with severe disabilities with education program goals identifying significant regression and recoupment disability as approved by the State Board of Education.



(3) (a) Monies appropriated [~~in Section 53A-17a-104~~] for self-contained regular special education programs may not be used to supplement other school programs.

(b) Monies in any of the other restricted line item appropriations may not be reduced more than 2% to be used for purposes other than those specified by the appropriation, unless otherwise provided by law.

(4) (a) The State Board of Education shall compute preschool funding by a factor of 1.47 times the current December 1 child count of eligible preschool aged three, four, and five-year-olds times the WPU value, limited to 8% growth over the prior year December 1 count.

(b) The board shall develop guidelines to implement the funding formula for preschool special education, and establish prevalence limits for distribution of the monies.

Section 11. Section **53A-17a-113** is amended to read:

**53A-17a-113. Weighted pupil units for career and technical education programs -- Funding of approved programs -- Performance measures -- Qualifying criteria.**

(1) (a) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for approved career and technical education programs and the comprehensive guidance program:

(i) shall be allocated to eligible recipients as provided in Subsections (2), (3), (4), and (5); and

(ii) may not be used to fund programs below the ninth grade level.

(b) Subsection (1)(a)(ii) does not apply to the following programs:

(i) comprehensive guidance;

(ii) Technology-Life-Careers; and

(iii) work-based learning programs.

(2) (a) Weighted pupil units are computed for pupils in approved programs.

(b) (i) The board shall fund approved programs based upon hours of membership of 9th through 12th grade students.

(ii) Subsection (2)(b)(i) does not apply to the following programs:

(A) comprehensive guidance;

(B) Technology-Life-Careers; and

(C) work-based learning programs.

(c) The board shall use an amount not to exceed 20% of the total appropriation under this section to fund approved programs based on performance measures such as placement and competency attainment defined in standards set by the board.

(d) Leadership organization funds shall constitute an amount not to exceed 1% of the total appropriation under this section, and shall be distributed to each local educational agency sponsoring career and technical education student leadership organizations based on the agency's share of the state's total membership in those organizations.

(e) The board shall make the necessary calculations for distribution of the appropriation to school districts and may revise and recommend changes necessary for achieving equity and ease of administration.

(3) (a) Twenty weighted pupil units shall be computed for career and technical education administrative costs for each district, except 25 weighted pupil units may be computed for each district that consolidates career and technical education administrative services with one or more other districts.

(b) Between 10 and 25 weighted pupil units shall be computed for each high school conducting approved career and technical education programs in a district according to standards established by the board.

(c) Forty weighted pupil units shall be computed for each district that operates an approved career and technical education center.

(d) Between five and seven weighted pupil units shall be computed for each summer career and technical education agriculture program according to standards established by the board.

(e) The board shall, by rule, establish qualifying criteria for districts to receive weighted pupil units under this Subsection (3).

(4) (a) Monies remaining after the allocations made under Subsections (2) and (3) shall be allocated using average daily membership in approved programs for the previous year.

(b) A district that has experienced student growth in grades 9 through 12 for the previous year shall have the growth factor applied to the previous year's weighted pupil units when calculating the allocation of monies under this Subsection (4).

(5) Of the monies allocated to comprehensive guidance programs pursuant to board rules, \$1,000,000 in grants shall be awarded to school districts or charter schools that:

(a) provide an equal amount of matching funds; and

(b) do not supplant other funds used for comprehensive guidance programs.

(6) (a) The board shall establish rules for the upgrading of high school career and technical education programs.

(b) The rules shall reflect career and technical training and actual marketable job skills in society.

(c) The rules shall include procedures to assist school districts to convert existing programs which are not preparing students for the job market into programs that will accomplish that purpose.

(7) Programs that do not meet board standards may not be funded under this section.

Section 12. Section **53A-17a-116** is amended to read:

**53A-17a-116. Weighted pupil units for career and technical education set-aside programs.**

(1) Each district shall receive a guaranteed minimum allocation from the monies appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for a career and technical education set-aside program.

(2) The set-aside funds remaining after the initial minimum payment allocation are distributed by an RFP process to help pay for equipment costs necessary to initiate new programs and for high priority programs as determined by labor market information.

Section 13. Section **53A-17a-119** is amended to read:

**53A-17a-119. Appropriation for adult education programs.**

(1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for adult education shall be allocated to local school boards for adult high school completion and adult basic skills programs.

(2) Each district shall receive its pro rata share of the appropriation for adult high school completion programs based on the number of people listed in the latest official census who are over 18 years of age and who do not have a high school diploma and prior year participation or as approved by board rule.

(3) On February 1 of each school year, the State Board of Education shall recapture monies not used for an adult high school completion program for reallocation to districts that have implemented programs based on need and effort as determined by the board.

(4) To the extent of monies available, school districts shall provide programs to adults who do not have a diploma and who intend to graduate from high school, with particular emphasis on homeless individuals who are seeking literacy and life skills.

(5) Overruns in adult education in any district may not reduce the value of the weighted pupil unit for this program in another district.

(6) School districts shall spend money on adult basic skills programs according to standards established by the board.

Section 14. Section **53A-17a-120** is amended to read:

**53A-17a-120. Appropriation for accelerated learning programs.**

(1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for accelerated learning programs shall be allocated to local school boards and charter schools for the following programs:

- (a) programs in grades 1-12 for the gifted and talented;
- (b) advanced placement; and
- (c) International Baccalaureate.

(2) (a) Districts shall spend monies for these programs according to rules established by the State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(b) The State Board of Education shall develop uniform and consistent policies for school districts to follow in utilizing advanced placement monies.

Section 15. Section **53A-17a-120.5** is amended to read:

**53A-17a-120.5. Appropriation for concurrent enrollment.**

(1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for concurrent enrollment shall be allocated as follows:

(a) the monies shall first be allocated proportionally, based upon student credit hour delivered, between courses that are:

- (i) taught by public school educators; and
- (ii) taught by college or university faculty;
- (b) from the monies allocated under Subsection (1)(a)(i):

- (i) 60% of the monies shall be allocated to local school boards and charter schools; and
- (ii) 40% of the monies shall be allocated to the State Board of Regents; and

(c) from the monies allocated under Subsection (1)(a)(ii):

(i) 40% of the monies shall be allocated to local school boards and charter schools; and

(ii) 60% of the monies shall be allocated to the State Board of Regents.

(2) The State Board of Education shall make rules providing that a school participating in the concurrent enrollment programs offered under Section 53A-15-101 shall receive an allocation from the monies described in Subsection (1) as provided in Section 53A-15-101.

(3) The State Board of Regents shall make rules providing that an institution of higher education participating in the concurrent enrollment programs offered under ~~[Sections]~~ Section 53A-15-101 ~~[and 53B-8-112]~~ shall receive an allocation from the monies described in Subsection (1) as provided in the rules.

(4) Subject to budget constraints, the Legislature shall annually increase the money appropriated to the State Board of Education ~~[in Section 53A-17a-104]~~ for concurrent enrollment based on:

(a) enrollment growth in concurrent enrollment from additional students enrolled, courses offered, and credit hours taken; and

(b) the percentage increase in the value of the weighted pupil unit.

(5) (a) The State Board of Education and the State Board of Regents shall annually report to the Public Education Appropriations Subcommittee:

(i) an accounting of the money appropriated for concurrent enrollment; and

(ii) a justification of the split described in Subsections (1)(a) and (b).

(b) The State Board of Regents shall annually report to the Higher Education Appropriations Subcommittee on concurrent enrollment participation and growth, including data on what higher education tuition would have been charged for the hours of concurrent enrollment credit granted.

(6) In order to qualify for funds under this section, a concurrent enrollment program shall comply with the requirements described in Section 53A-15-101, including rules adopted in accordance with Subsection 53A-15-101(3).

Section 16. Section **53A-17a-121** is amended to read:

**53A-17a-121. Appropriation for at-risk programs.**

(1) Money appropriated to the State Board of Education ~~[in Section 53A-17a-104]~~ for at-risk programs shall be allocated to local school boards for the following programs:

- (a) youth in custody;
- (b) homeless and disadvantaged minority students;
- (c) mathematics, engineering, and science achievement programs;
- (d) gang prevention and intervention; and
- (e) at-risk flow through.

(2) Districts shall spend monies for these programs according to rules established by the State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(3) (a) From the amount appropriated for youth at risk programs, the board shall allocate moneys to school districts for homeless and disadvantaged minority students.

(b) Each district shall receive its allocation on the basis of:

- (i) the total number of homeless students in the district;
- (ii) added to 50% of the number of disadvantaged minority students in the district;
- (iii) multiplying the total of Subsections (3)(b)(i) and (ii) by the value of the weighted pupil unit; and
- (iv) prorating the amount under Subsection (3)(b)(iii) to the amount in Subsection (3)(a).

(4) (a) From the amount appropriated for at-risk programs, the board shall allocate monies for mathematics, engineering, and science achievement programs, MESA programs, in the districts.

(b) The board shall make the distribution to school districts on a competitive basis by application under guidelines established by the board.

(5) (a) From the amount appropriated for at-risk programs, the board shall distribute moneys for gang prevention and intervention programs at the district or school level.

(b) The board shall make the distribution to school districts under guidelines established by the board consistent with Section 53A-15-601.

(6) (a) From the amount appropriated for at-risk programs, the board shall distribute moneys for programs for youth in custody.

(b) The board shall allocate these moneys to school districts which operate programs for youth in custody in accordance with standards established by the board.

(7) From the amount appropriated for at-risk programs, the board shall allocate monies

based on:

(a) a formula which takes into account prior year WPU's per district and a district's low income population; and

(b) a minimum base of no less than \$18,600 for small school districts.

Section 17. Section **53A-17a-123** is amended to read:

**53A-17a-123. Local Discretionary Block Grant Program -- State contribution.**

(1) The State Board of Education shall distribute money appropriated for the Local Discretionary Block Grant Program [~~in Section 53A-17a-104~~] to school districts and charter schools according to a formula adopted by the board, after consultation with school districts and charter schools, that allocates the funding in a fair and equitable manner.

(2) Schools districts and charter schools shall use Local Discretionary Block Grant monies for:

(a) maintenance and operation costs;

(b) capital outlay; or

(c) debt service.

Section 18. Section **53A-17a-123.5** is amended to read:

**53A-17a-123.5. Interventions for Student Success Block Grant Program -- State contribution.**

(1) The State Board of Education shall distribute money appropriated for the Interventions for Student Success Block Grant Program [~~in Section 53A-17a-104~~] to school districts and charter schools according to a formula adopted by the board, after consultation with school districts and charter schools, that allocates the funding in a fair and equitable manner.

(2) Schools districts and charter schools shall use Interventions for Student Success Block Grant monies to improve student academic success, with priority given to interventions on behalf of students not performing to standards as determined by U-PASS test results.

(3) (a) Each school district shall develop a plan for the expenditure of Interventions for Student Success Block Grant monies.

(b) The plan:

(i) shall specify anticipated results; and

(ii) may include continuing existing programs to improve students' academic success

for which funds were appropriated before the establishment of the block grant.

(c) The local school board shall approve the plan for the expenditure of the block grant monies in an open public meeting before the monies are spent.

Section 19. Section **53A-17a-124** is amended to read:

**53A-17a-124. Quality Teaching Block Grant Program -- State contributions.**

(1) The State Board of Education shall distribute money appropriated for the Quality Teaching Block Grant Program [~~in Section 53A-17a-104~~] to school districts and charter schools according to a formula adopted by the board, after consultation with school districts and charter schools, that allocates the funding in a fair and equitable manner.

(2) (a) Schools districts and charter schools shall use Quality Teaching Block Grant monies to implement school and school district comprehensive, long-term professional development plans required by Section 53A-3-701.

(b) In recognition of exceptional quality teaching, Quality Teaching Block Grant monies may be used for the award of individual Quality Teaching Bonuses for Exemplary Teachers to recognize and reward excellence in classrooms as determined by school principals in partnership with their school community councils.

(3) Each local school board shall:

(a) as provided by Section 53A-3-701, review and either approve or recommend modifications for each school's comprehensive, long-term professional development plan within the district so that each school's plan is compatible with the district's comprehensive, long-term professional development plan; and

(b) in an open public meeting, approve a plan to spend Quality Teaching Block Grant monies to implement the school district's comprehensive, long-term professional development plan.

Section 20. Section **53A-17a-124.5** is amended to read:

**53A-17a-124.5. Appropriation for class size reduction.**

(1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for class size reduction shall be used to reduce the average class size in kindergarten through the eighth grade in the state's public schools.

(2) Each district shall receive its allocation based upon prior year average daily membership in kindergarten through grade eight plus growth as determined under Subsection



53A-17a-106(3) as compared to the state total.

(3) (a) A district may use its allocation to reduce class size in any one or all of the grades referred to under this section, except as otherwise provided in Subsection (3)(b).

(b) (i) Each district shall use 50% of its allocation to reduce class size in any one or all of grades kindergarten through grade two, with an emphasis on improving student reading skills.

(ii) If a district's average class size is below 18 in grades kindergarten through two, it may petition the state board for, and the state board may grant, a waiver to use its allocation under Subsection (3)(b)(i) for class size reduction in the other grades.

(4) Schools may use nontraditional innovative and creative methods to reduce class sizes with this appropriation and may use part of their allocation to focus on class size reduction for specific groups, such as at risk students, or for specific blocks of time during the school day.

(5) (a) A school district may use up to 20% of its allocation under Subsection (1) for capital facilities projects if such projects would help to reduce class size.

(b) If a school district's student population increases by 5% or 700 students from the previous school year, the school district may use up to 50% of any allocation it receives under this section for classroom construction.

(6) This appropriation is to supplement any other appropriation made for class size reduction.

(7) The Legislature shall provide for an annual adjustment in the appropriation authorized under this section in proportion to the increase in the number of students in the state in kindergarten through grade eight.

Section 21. Section **53A-17a-125** is amended to read:

**53A-17a-125. Appropriation for retirement and Social Security.**

(1) The employee's retirement contribution shall be 1% for employees who are under the state's contributory retirement program.

(2) The employer's contribution under the state's contributory retirement program is determined under Section 49-12-301, subject to the 1% contribution under Subsection (1).

(3) (a) The employer-employee contribution rate for employees who are under the state's noncontributory retirement program is determined under Section 49-13-301.

(b) The same contribution rate used under Subsection (3)(a) shall be used to calculate the appropriation for charter schools described under Subsection (5).

(4) (a) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for retirement and Social Security monies shall be allocated to school districts and charter schools based on a district's or charter school's total weighted pupil units compared to the total weighted pupil units for all districts in the state.

(b) Subject to budget constraints, monies needed to support retirement and Social Security shall be determined by taking the district's prior year allocation and adjusting it for:

(i) student growth;

(ii) the percentage increase in the value of the weighted pupil unit; and

(iii) the effect of any change in the rates for retirement, Social Security, or both.

(5) A charter school that has made an election of nonparticipation in the Utah State Retirement Systems in accordance with Section 53A-1a-512 and Title 49, Utah State Retirement and Insurance Benefit Act, shall use the funds described under this section for retirement to provide its own compensation, benefit, and retirement programs.

Section 22. Section **53A-17a-126** is amended to read:

**53A-17a-126. State support of pupil transportation.**

(1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for state-supported transportation of public school students shall be apportioned and distributed in accordance with Section 53A-17a-127, except as otherwise provided in this section.

(2) (a) The Utah Schools for the Deaf and the Blind shall use [~~money appropriated in Section 53A-17a-104~~] its allocation of pupil transportation monies to pay for transportation of their students based on current valid contractual arrangements and best transportation options and methods as determined by the schools.

(b) All student transportation costs of the schools shall be paid from the allocation of pupil transportation monies [~~received under Section 53A-17a-104~~] specified in statute.

(3) (a) A school district may only claim eligible transportation costs as legally reported on the prior year's annual financial report submitted under Section 53A-3-404.

(b) The state shall contribute 85% of approved transportation costs, subject to budget constraints.

(c) If in a fiscal year the total transportation allowance for all districts exceeds the

amount appropriated for that purpose, all allowances shall be reduced pro rata to equal not more than the amount appropriated.

(4) Local school boards shall provide salary adjustments to employee groups that work with the transportation of students comparable to those of classified employees authorized under Section 53A-17a-137, when dividing the weighted pupil unit for salary adjustment purposes.

Section 23. Section **53A-17a-131.15** is amended to read:

**53A-17a-131.15. State contribution for the Electronic High School.**

Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for the Electronic High School shall be distributed to the school according to rules established by the board in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

Section 24. Section **53A-17a-131.17** is amended to read:

**53A-17a-131.17. State contribution for School LAND Trust Program.**

(1) If the amount of money prescribed for funding the School LAND Trust Program in Section 53A-16-101.5 is less than or greater than the money appropriated [~~in Section 53A-17a-104~~] for the School LAND Trust Program, the appropriation shall be equal to the amount of money prescribed for funding the School LAND Trust Program in Section 53A-16-101.5, up to a maximum of an amount equal to 2% of the funds provided for the Minimum School Program[, pursuant to Title 53A, Chapter 17a, Minimum School Program Act].

(2) The State Board of Education shall distribute the money appropriated in Subsection (1) in accordance with Section 53A-16-101.5 and rules established by the board in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

Section 25. Section **53A-17a-135** is amended to read:

**53A-17a-135. Minimum basic tax rate -- Certified revenue levy.**

(1) (a) In order to qualify for receipt of the state contribution toward the basic program and as its contribution toward its costs of the basic program, each school district shall impose a minimum basic tax rate per dollar of taxable value that generates \$273,950,764 in revenues statewide.

(b) The preliminary estimate for the [~~2009-10~~] 2010-11 minimum basic tax rate is [~~.001303~~] .001513.

(c) The State Tax Commission shall certify on or before June 22 the rate that generates \$273,950,764 in revenues statewide.

(d) If the minimum basic tax rate exceeds the certified revenue levy as defined in Section 53A-17a-103, the state is subject to the notice requirements of Section 59-2-926.

(2) (a) The state shall contribute to each district toward the cost of the basic program in the district that portion which exceeds the proceeds of the levy authorized under Subsection (1).

(b) In accord with the state strategic plan for public education and to fulfill its responsibility for the development and implementation of that plan, the Legislature instructs the State Board of Education, the governor, and the Office of Legislative Fiscal Analyst in each of the coming five years to develop budgets that will fully fund student enrollment growth.

(3) (a) If the proceeds of the levy authorized under Subsection (1) equal or exceed the cost of the basic program in a school district, no state contribution shall be made to the basic program.

(b) The proceeds of the levy authorized under Subsection (1) which exceed the cost of the basic program shall be paid into the Uniform School Fund as provided by law.

Section 26. Section **53A-17a-146** is amended to read:

**53A-17a-146. Reduction of district allocation based on insufficient revenues.**

(1) (a) As used in this section, "Minimum School Program funds" means the total of state and local funds appropriated [~~under Section 53A-17a-104~~] for the Minimum School Program, excluding:

(i) the state-supported voter leeway;

(ii) the state-supported board leeway; and

(iii) the appropriation to charter schools to replace local property tax revenues.

(b) The State Board of Education, after consultation with each school district and charter school, shall allocate the ongoing locally determined reduction [~~provided in Section 53A-17a-104~~] for fiscal year 2008-09 among school districts and charter schools in proportion to each school district's or charter school's percentage share of Minimum School Program funds.

(2) Each district and charter school shall determine which programs are affected by, and the amount of, the reductions, except as provided in Subsection (4).

(3) The requirement to spend a specified amount in any particular program is waived if reductions are required under this section, except as provided in Subsection (4).

(4) A school district or charter school may not reduce or reallocate spending of funds distributed to the school district or charter school for the following programs:

- (a) educator salary adjustments provided in Section 53A-17a-153;
- (b) the Teacher Salary Supplement Program provided in Section 53A-17a-156;
- (c) the extended year for special educators provided in Section 53A-17a-158; and
- (d) USTAR centers provided in Section 53A-17a-159.

Section 27. Section **53A-17a-153** is amended to read:

**53A-17a-153. Educator salary adjustments.**

(1) As used in this section, "educator" means a person employed by a school district, charter school, or the Utah Schools for the Deaf and the Blind who holds:

(a) a license issued under Title 53A, Chapter 6, Educator Licensing and Professional Practices Act; and

(b) a position as a:

- (i) classroom teacher;
- (ii) speech pathologist;
- (iii) librarian or media specialist;
- (iv) preschool teacher;
- (v) mentor teacher;
- (vi) teacher specialist or teacher leader;
- (vii) guidance counselor;
- (viii) audiologist;
- (ix) psychologist; or
- (x) social worker.

(2) In recognition of the need to attract and retain highly skilled and dedicated educators, the Legislature shall annually appropriate money for educator salary adjustments, subject to future budget constraints.

(3) Money appropriated to the State Board of Education for educator salary adjustments shall be distributed to school districts, charter schools, and the Utah Schools for the Deaf and the Blind in proportion to the number of full-time-equivalent educator positions

in a school district, a charter school, or the Utah Schools for the Deaf and the Blind as compared to the total number of full-time-equivalent educator positions in school districts, charter schools, and the Utah Schools for the Deaf and the Blind.

(4) School districts, charter schools, and the Utah Schools for the Deaf and the Blind shall award bonuses to educators as follows:

(a) the amount of the salary adjustment shall be the same for each full-time-equivalent educator position in the school district, charter school, or the Utah Schools for the Deaf and the Blind;

(b) a person who is not a full-time educator shall receive a partial salary adjustment based on the number of hours the person works as an educator; and

(c) salary adjustments may be awarded only to educators who have received a satisfactory rating or above on their most recent evaluation.

(5) (a) Each school district and charter school and the Utah Schools for the Deaf and the Blind shall submit a report to the State Board of Education on how the money for salary adjustments was spent, including the amount of the salary adjustment and the number of full and partial salary adjustments awarded.

(b) The State Board of Education shall compile the information reported under Subsection (5) and submit it to the Public Education Appropriations Subcommittee by November 30 each year.

(6) The State Board of Education may make rules as necessary to administer this section, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(7) (a) Subject to future budget constraints, the Legislature shall appropriate sufficient monies each year to:

(i) maintain educator salary adjustments provided in prior years; and

(ii) provide educator salary adjustments to new employees.

(b) Money appropriated for educator salary adjustments shall include money for the following employer-paid benefits:

(i) retirement;

(ii) worker's compensation;

(iii) Social Security; and

(iv) Medicare.

(8) (a) Subject to future budget constraints, the Legislature shall:

(i) maintain the salary adjustments provided to school administrators in the 2007-08 school year; and

(ii) provide salary adjustments for new school administrators in the same amount as provided for existing school administrators.

(b) The appropriation provided for educator salary adjustments [~~in Section 53A-17a-104~~] shall include salary adjustments for school administrators as specified in Subsection (8)(a).

(c) In distributing and awarding salary adjustments for school administrators, the State Board of Education, school districts, charter schools, and the Utah Schools for the Deaf and the Blind shall comply with the requirements for the distribution and award of educator salary adjustments as provided in Subsections (3) and (4).

Section 28. Section **53A-17a-154** is amended to read:

**53A-17a-154. Appropriation for school nurses.**

The State Board of Education shall distribute monies appropriated [~~in Section 53A-17a-104~~] for school nurses to award grants to school districts and charter schools that:

(1) provide an equal amount of matching funds; and

(2) do not supplant other monies used for school nurses.

Section 29. Section **53A-17a-155** is amended to read:

**53A-17a-155. Appropriation for library books and electronic resources.**

(1) The State Board of Education shall distribute monies appropriated [~~in Section 53A-17a-104~~] for library books and electronic resources as follows:

(a) 25% shall be divided equally among all public schools; and

(b) 75% shall be divided among public schools based on each school's average daily membership as compared to the total average daily membership.

(2) A school district or charter school may not use monies distributed under Subsection (1) to supplant other monies used to purchase library books or electronic resources.

Section 30. Section **63J-1-206** is amended to read:

**63J-1-206. Appropriations governed by chapter -- Restrictions on expenditures -- Transfer of funds -- Exclusion.**

(1) As used in this section, "work program" means a budget that contains revenues and

expenditures for specific purposes or functions within an item of appropriation.

(2) (a) Except as provided in Subsection (2)(b), (3)(e), or where expressly exempted in the appropriating act:

(i) all monies appropriated by the Legislature are appropriated upon the terms and conditions set forth in this chapter; and

(ii) any department, agency, or institution that accepts monies appropriated by the Legislature does so subject to the requirements of this chapter.

(b) This section does not apply to:

(i) the Legislature and its committees; and

(ii) the Investigation Account of the Water Resources Construction Fund, which is governed by Section 73-10-8.

(3) (a) Each appropriation item is to be expended subject to any schedule of programs and any restriction attached to the appropriation item, as designated by the Legislature.

(b) Each schedule of programs or restriction attached to an appropriation item:

(i) is a restriction or limitation upon the expenditure of the respective appropriation made;

(ii) does not itself appropriate any money; and

(iii) is not itself an item of appropriation.

(c) An appropriation or any surplus of any appropriation may not be diverted from any department, agency, institution, or division to any other department, agency, institution, or division.

(d) The money appropriated subject to a schedule or programs or restriction may be used only for the purposes authorized.

(e) In order for a department, agency, or institution to transfer monies appropriated to it from one program to another program within an item of appropriation, the following procedure shall be followed:

(i) The department, agency, or institution seeking to make the transfer shall prepare:

(A) a new work program for the fiscal year involved that consists of the currently approved work program and the transfer sought to be made; and

(B) a written justification for the new work program that sets forth the purpose and necessity for the transfer.



(ii) The Division of Finance shall process the new work program with written justification and make this information available to the Governor's Office of Planning and Budget and the legislative fiscal analyst.

(f) ~~[Monies]~~ (i) Except as provided in Subsection (3)(f)(ii), monies may not be transferred from one item of appropriation to any other item of appropriation.

(ii) The state superintendent may transfer monies appropriated for the Minimum School Program between line items of appropriation in accordance with Section 53A-17a-105.

(g) (i) The procedures for transferring monies between programs within an item of appropriation as provided by Subsection (3)(e) do not apply to monies appropriated to the State Board of Education for the Minimum School Program or capital outlay programs created in Title 53A, Chapter 21, Public Education Capital Outlay Act.

(ii) The state superintendent may transfer monies appropriated for the programs specified in Subsection (3)(g)(i) only as provided by Section 53A-17a-105.

Section 31. **Repealer.**

This bill repeals:

Section **53A-17a-104, Amount of state's contribution toward minimum school program.**

Section **53A-21-501, State contribution to capital outlay programs.**

Section 32. **Appropriations for Minimum School Program and school building aid programs - Value of weighted pupil unit.**

(1) The following sums of money are appropriated from the funds or fund accounts indicated for distribution to school districts and charter schools for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

(2) The value of the weighted pupil unit (WPU) for fiscal year 2011 is \$2,487.

ITEM 1 BASIC SCHOOL PROGRAM

To Basic School Program

From Uniform School Fund \$1,579,112,936

From Local Revenue \$273,950,764

Schedule of Programs:

Kindergarten (26,503 WPUs) \$65,912,961

Grades 1 - 12 (510,441 WPUs) \$1,269,466,767

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1018	Necessarily Existent Small Schools (7,649 WPU's)	\$19,023,063
1019	Professional Staff (46,698 WPU's)	\$116,137,926
1020	Administrative Costs (1,550 WPU's)	\$3,854,850
1021	Special Education - Add-on (63,903 WPU's)	\$158,926,761
1022	Special Education - Pre-school (8,955 WPU's)	\$22,271,085
1023	Special Education - Self-contained (14,137 WPU's)	\$35,158,719
1024	Special Education - Extended Year (393 WPU's)	\$977,391
1025	Special Education - State Programs (1,776 WPU's)	\$4,416,912
1026	Career & Technical Ed District Add-on (27,259 WPU's)	\$67,793,133
1027	Class Size Reduction (35,836 WPU's)	\$89,124,132
1028	The Legislature intends that the State Board of	
1029	Education allocate \$1,150,600 from the appropriation	
1030	to the Career & Technical Education District Add-on	
1031	program to support summer Career & Technical	
1032	Education agriculture programs.	
1033	ITEM 2 RELATED TO BASIC PROGRAMS	
1034	To Related to Basic Programs	
1035	From Uniform School Fund	\$374,194,403
1036	From Uniform School Fund Restricted - Interest and Dividends Account	\$20,000,000
1037	Schedule of Programs:	
1038	Social Security and Retirement	\$13,139,631
1039	To and From School - Pupil Transportation	\$64,333,965
1040	Guarantee Transportation Levy	\$490,000
1041	Intervention for Student Success Block Grant	\$14,700,000
1042	Highly Impacted Schools	\$4,518,707
1043	Youth At-Risk	\$27,704,741
1044	Adult Education	\$9,080,846
1045	Accelerated Learning	\$3,494,781
1046	Concurrent Enrollment	\$8,531,186
1047	High-Ability Student Initiative	\$485,100
1048	English Language Learner Family Literacy Centers	\$1,764,000

1049	Electronic High School	\$1,960,000
1050	School LAND Trust Program	\$20,000,000
1051	Charter School Local Replacement	\$44,382,646
1052	Charter School Administration	\$3,603,500
1053	K-3 Reading Improvement	\$14,700,000
1054	Public Education Job Enhancement	\$2,143,300
1055	Educator Salary Adjustments	\$145,295,000
1056	USFR Teacher Salary Supplement Restricted Account	\$3,626,000
1057	Library Books & Electronic Resources	\$490,000
1058	Matching Fund for School Nurses	\$882,000
1059	Critical Languages & Dual Immersion	\$225,400
1060	Extended Year for Special Educators	\$2,557,800
1061	USTAR Centers (Year-Round Math & Science)	\$6,085,800
1062	The Legislature intends that the State Board	
1063	of Education allocate \$2,532,700 from the appropriation	
1064	for To and From School - Pupil Transportation to	
1065	support transportation costs at the Utah	
1066	Schools for the Deaf and the Blind.	
1067	ITEM 3 VOTED AND BOARD LEEWAY PROGRAMS	
1068	To Voted and Board Leeway Programs	
1069	From Uniform School Fund	\$37,240,184
1070	From Local Revenue	\$310,463,914
1071	Schedule of Programs:	
1072	Voted Leeway	\$265,569,683
1073	Board Leeway	\$67,134,415
1074	Board Leeway - Reading Improvement	\$15,000,000
1075	ITEM 4 SCHOOL BUILDING PROGRAMS	
1076	To School Building Programs	
1077	From Uniform School Fund	\$22,049,700
1078	Schedule of Programs:	
1079	Capital Outlay Foundation Program	\$19,177,400

1080	Capital Outlay Enrollment Growth Program	\$2,872,300
1081	Section 33. <b>Effective date.</b>	
1082	<u>This bill takes effect on July 1, 2010.</u>	